

**FORM OF NON-STANDARD TRUE-UP LETTER**  
**TRUE-UP LETTER**

Date: May 22, 2023

Oklahoma Corporation Commission  
ATTN: Director, Public Utility Division  
Jim Thorpe Office Building  
2101 N. Lincoln Blvd #129  
Oklahoma City, OK 73105

Re: Application of ONG Gas Company, a Division of One Gas, Inc. for a Financing Order Approving Securitization of Costs Arising from the February 2021 Winter Weather Event Pursuant to the “February 2021 Regulated Utility Consumer Protection Act”, Cause No. PUD 202100079

Dear Mr. Argenbright:


Pursuant to the Final Financing Order issued on the 25th day of January, 2022 in Cause No. PUD 202100079 before the Oklahoma Corporation Commission, *Application of ONG Gas Company, a Division of One Gas, Inc. for a Financing Order Approving Securitization of Costs Arising from the February 2021 Winter Weather Event Pursuant to the “February 2021 Regulated Utility Consumer Protection Act”* (the “Financing Order”), ONG Gas Company (the “Utility”), as Servicer of the ratepayer-backed bonds, or any successor Servicer on behalf of bond trustee as assignee of the ODFA, may apply for Non Standard True-Up to change the Allocation Factors to address a 10% or greater change in the number of customers in one or WESCR Customer Classes. Any capitalized terms not defined herein shall have the meanings ascribed thereto in the Financing Order or the February 2021 Regulated Utility Consumer Protection Act, 74 Okla. Stat. §§ 9071-9081 (the “Act”).

Each non-standard true-up shall be filed with the Commission not less than 30 days prior to the first billing cycle of the month in which the revised methodology for calculating WESCR Charges will be in effect. The Commission staff will have 30 days after the date of the true-up adjustment filing in which to confirm the mathematical accuracy of the Servicer’s adjustment. However, any mathematical correction not made prior to the effective date of the WESCR Charge will be made in future true-up adjustment filings and will not delay the effectiveness of the WESCR Charge.

Attachments 1 through 3 show the revised methodology for calculating the WESCR Charges.



Respectfully submitted,  
OKLAHOMA NATURAL GAS COMPANY, a  
Division of ONE Gas, Inc.

By:   
Signer ID: KJ952NEZC1...  
Name: Mark W. Smith  
Title: Vice President and Treasurer

**Attachments**

cc: Chairman of the Oklahoma Corporation Commission

**ATTACHMENT 1**  
**CALCULATION OF WESCR CHARGES**

<b>Estimated Ongoing Financing Costs</b>	<b>Annual Rate</b>	<b>Monthly Rate</b>
True-Up Administration Fees ^	\$ -	\$ -
ODFA Administration Fees ^	\$ 186,775	\$ 15,565
ODFA Legal Fees and Expenses ^	\$ 75,000	\$ 6,250
ODFA Accounting Fees^	\$ 75,000	\$ 6,250
Trustee's/Trustee's Counsel Fees & Expenses ^	\$ 7,500	\$ 625
Rating Agency Fees and Related Expenses^	\$ 32,000	\$ 2,667
Rule 17g-5 Website^	\$ 4,000	\$ 333
Miscellaneous ^	\$ 50,000	\$ 4,167
^		
Other Credit Enhancements ^	\$ -	\$ -
<b>Total Non-Utility External Annual Ongoing Financing Costs</b>	<b>\$ 430,275</b>	<b>\$ 35,856</b>
Ongoing Servicer Fees (Utility as Servicer) *	\$ 677,100	\$ 56,425
Accounting Costs (External) ^	\$ 75,000	\$ 6,250
<b>Total Utility Annual Ongoing Financing Costs</b>	<b>\$ 752,100</b>	<b>\$ 62,675</b>
<b>Total (Utility as Servicer) Estimated Ongoing Financing Costs</b>	<b>\$ 1,182,375</b>	<b>\$ 98,531</b>
Ongoing Servicer Fees (Third-Party as Servicer - 0.60% of principal)	\$ 8,125,200	
Other External Ongoing Fees (total of lines marked with a ^ mark above)	\$ 430,275	
<b>Total (Third Party as Servicer) Estimated Ongoing Financing Costs</b>	<b>\$ 8,555,475.00</b>	

Input Values for WESCR Charges	From: 5/1/2023		From: 6/29/2023		Total 05/01 to 10/31	From: 11/1/2023	
	To:	6/28/2023	To:	10/31/2023		To:	4/30/2024
Projected revenues for payment period (See Attachment 3)		\$ 2,088,548		\$ 33,353,613	\$ 35,442,161		\$ 47,549,278
Forecast uncollectables for payment period		\$ 49,114		\$ 1,496,944	\$ 1,546,058		\$ 1,528,676
Average Days Sales Outstanding		24.43		20.99			36.98
Balance of Collection Account (Net of Capital Subaccount) (As of 05/10/23, which is the Calculation Cut-off Date)		\$ 4,291,855		N/A			N/A
Projected WESCR Charges Between Calculation Cut-off Date and Proposed Effective Date of True-Up Adjustment		\$ 13,376,702		N/A			N/A
A. Ratepayer-Backed Bond Principal		\$ 5,468,362		\$ 10,936,723	\$ 16,405,084		\$ 16,724,122
B. Ratepayer-Backed Bond Interest		\$ 9,686,122		\$ 19,372,245	\$ 29,058,367		\$ 28,740,355
C. Ongoing Financing Costs for the applicable payment period (See Table 1 above)		\$ 197,063		\$ 394,125	\$ 591,188		\$ 553,688
Periodic Payment Requirement (Sum of A, B and C)		\$ 15,351,546		\$ 30,703,093	\$ 46,054,639		\$ 46,018,165
Periodic Billing Requirement (See Attachment 2)		\$ 15,400,660		\$ 33,347,909	\$ 48,748,570		\$ 47,546,840

## ATTACHMENT 2

### WESCR CHARGE CALCULATIONS

Applicable Period	From: 05/01/23 To: 06/28/23	From: 06/29/23 To: 10/31/23	Total 05/01 to 10/31	From: 11/01/23 To: 04/30/24
Forecasted customer count for each WESCR Customer Class for the applicable period: *				
Tariffs 101 & 101-V Rate Choice A	204,150	201,853		205,821
Tariffs 101 & 101-V Rate Choice B	613,399	612,081		621,129
Tariffs 200 SCI & 200 SCI-V	47,225	46,491		48,057
Tariff 200 LCI	27,599	27,449		27,985
Tariff 291S	87	76		83
Tariff 601S	2	2		2
Tariff 705	10	8		9
Ratepayer-back bond debt service for the applicable period:	\$ 15,154,484	\$ 30,308,968	\$ 45,463,452	\$ 45,464,477
Charge-off rate for each WESCR Customer Class:				
Tariffs 101 & 101-V Rate Choice A	0.32%	0.32%		0.32%
Tariffs 101 & 101-V Rate Choice B	0.32%	0.32%		0.32%
Tariffs 200 SCI & 200 SCI-V	0.16%	0.16%		0.16%
Tariff 200 LCI	0.16%	0.16%		0.16%
Tariff 291S	0.00%	0.00%		0.00%
Tariff 601S	0.00%	0.00%		0.00%
Tariff 705	0.00%	0.00%		0.00%
Estimated Charge Off Amount	\$ 49,114	\$ 98,390	\$ 147,503	\$ 131,229
Delinquency rate for each WESCR Customer Class:				
Tariffs 101 & 101-V Rate Choice A	N/A	3.92%		3.92%
Tariffs 101 & 101-V Rate Choice B	N/A	3.22%		3.22%
Tariffs 200 SCI & 200 SCI-V	N/A	2.54%		2.54%
Tariff 200 LCI	N/A	1.63%		1.63%
Tariff 291S	N/A	2.14%		2.14%
Tariff 601S	N/A	0.00%		0.00%
Tariff 705	N/A	1.83%		1.83%
Estimated Delinquency Amount	N/A	\$ 1,398,554	\$ 1,398,554	\$ 1,397,446
Forecasted annual ongoing financing costs (See Attachment 1):	\$ 197,063	\$ 394,125	\$ 591,188	\$ 553,688
Current Ratepayer-Backed Bond outstanding balance:	\$	1,326,382,018	\$ 1,326,382,018	\$ 1,309,976,933
Target Ratepayer-Backed Bond outstanding balance as of next bond payment:	\$	1,309,976,933	\$ 1,309,976,933	\$ 1,293,252,811
Debt Service Reserve Subaccount (DSRS) Catch-Up Amount	\$ -	\$ 1,147,873	\$ 1,147,873	\$ -
Total Periodic Billing Requirement for applicable period:	\$ 15,400,660	\$ 33,347,909	\$ 48,748,570	\$ 47,546,840

ONG - 5/1/2023 Securitization Charges Calculation ESTIMATE							
	May-23	June-23		15,400,660	Agrees to Total Periodic Billing Requirement for applicable period		
ONG Total Tariff 101 & 101V Rate Choice A	206,226	205,097	Avg Customers				
Less Feb 2021 VFP	(1,511)	(1,511)		# of Charges Collected	Allocation %	Allocation \$	05/01/23 Rate
Net	204,715	203,586	204,150	408,300	13.84%	\$2,131,451	\$5.28
ONG Total Tariff 101 & 101V Rate Choice B	619,226	616,649					
Less Feb 2021 VFP	(4,538)	(4,538)					
Net	614,688	612,111	613,399	1,226,799	64.82%	\$9,982,708	\$8.15
ONG Total Tariff 200SCI & 200SCIV	47,830	47,322					
Less Feb 2021 VFP	(351)	(351)					
Net	47,479	46,971	47,225	94,451	6.30%	\$970,242	\$10.38
ONG Total Tariff 200LCI	27,685	27,512					
Net	27,685	27,512	27,599	55,197	14.61%	\$2,250,036	\$40.91
ONG Total Tariff 291S	87	87	87	174	0.37%	\$56,982	\$358.38
ONG Total Tariff 601S	2	2	2	4	0.01%	\$1,540	\$385.02
ONG Total Tariff 705	9	10	10	19	0.05%	\$7,700	\$452.96

ONG - 6/29/2023 Securitization Charges Calculation ESTIMATE							
	July-23	August-23	September-23	October-23		33,347,909	Agrees to Total Periodic Billing Requirement for applicable period
ONG Total Tariff 101 & 101V Rate Choice A	204,373	203,425	202,579	203,082	Avg Customers		
Less Feb 2021 VFP	(1,511)	(1,511)	(1,511)	(1,511)		# of Charges Collected	Allocation %
Net	202,862	201,914	201,068	201,571	201,853	807,414	13.84%
							Allocation \$
							07/01/23 Rate
ONG Total Tariff 101 & 101V Rate Choice B	615,383	615,560	616,903	618,632			
Less Feb 2021 VFP	(4,538)	(4,538)	(4,538)	(4,538)			
Net	610,845	611,022	612,365	614,094	612,081	2,448,326	64.82%
							\$21,616,115
							\$8.83
ONG Total Tariff 200SCI & 200SCIV	46,936	46,846	46,754	46,831			
Less Feb 2021 VFP	(351)	(351)	(351)	(351)			
Net	46,585	46,495	46,403	46,480	46,491	185,965	6.30%
							\$2,100,918
							\$11.30
ONG Total Tariff 200LCI	27,430	27,436	27,434	27,497			
Net	27,430	27,436	27,434	27,497	27,449	109,797	14.61%
							\$4,872,130
							\$44.37
ONG Total Tariff 291S	90	62	74	77	76	303	0.37%
							\$123,387
ONG Total Tariff 601S	2	2	2	2	2	8	0.01%
							\$3,335
							\$416.85
ONG Total Tariff 705	10	7	7	8	8	32	0.05%
							\$16,674
							\$521.06

ONG - 11/1/2023 Securitization Charges Calculation ESTIMATE							
	November-23	December-23	January-24	February-24	March-24	April-24	
ONG Total Tariff 101 & 101V Rate Choice A	204,083	204,950	208,672	208,790	208,877	208,528	Avg Customers
Less Feb 2021 VFP	(1,496)	(1,496)	(1,496)	(1,496)	(1,496)	(1,496)	
Net	202,587	203,454	207,176	207,294	207,381	207,032	205,821
							# of Charges Collected
							Allocation %
							Allocation \$
							11/01/23 Rate
ONG Total Tariff 101 & 101V Rate Choice B	621,730	625,819	624,740	626,174	627,969	627,684	
Less Feb 2021 VFP	(4,557)	(4,557)	(4,557)	(4,557)	(4,557)	(4,557)	
Net	617,173	621,262	620,184	621,617	623,412	623,127	621,129
							3,726,775
							64.82%
							\$30,819,862
							\$8.27
ONG Total Tariff 200SCI & 200SCIV	47,391	48,104	48,569	48,791	48,924	48,646	
Less Feb 2021 VFP	(347)	(347)	(347)	(347)	(347)	(347)	
Net	47,044	47,757	48,221	48,444	48,576	48,298	48,057
							288,340
							6.30%
							\$2,995,451
							\$10.39
ONG Total Tariff 200LCI	27,809	28,051	27,867	27,986	28,102	28,094	
Net	27,809	28,051	27,867	27,986	28,102	28,094	27,985
							167,909
							14.61%
							\$6,946,593
							\$41.37
ONG Total Tariff 291S	80	82	84	84	84	85	83
							499
							0.37%
							\$175,923
							\$352.55
ONG Total Tariff 601S	2	2	2	2	2	2	2
							12
							0.01%
							\$4,755
							\$396.22
ONG Total Tariff 705	9	8	9	9	9	10	9
							54
							0.05%
							\$23,773
							\$440.25

Month	Billed		Total Inflows
	Actual	Forecast	
May-23	\$2,088,548.11	\$5,663,507.49	\$7,752,055.60
Jun-23		\$7,713,194.42	\$7,713,194.42
Jul-23		\$8,340,307.98	\$8,340,307.98
Aug-23		\$8,322,732.21	\$8,322,732.21
Sep-23		\$8,333,510.08	\$8,333,510.08
Oct-23		\$8,357,062.44	\$8,357,062.44
<b>Payment Remitted Total 2</b>	<b>\$2,088,548.11</b>	<b>\$46,730,314.62</b>	<b>\$48,818,862.73</b>
Nov-23		\$7,856,012.26	\$7,856,012.26
Dec-23		\$7,912,133.86	\$7,912,133.86
Jan-24		\$7,921,424.68	\$7,921,424.68
Feb-24		\$7,941,121.71	\$7,941,121.71
Mar-24		\$7,962,617.60	\$7,962,617.60
Apr-24		\$7,955,967.60	\$7,955,967.60
<b>Payment Remitted Total 3</b>	<b>\$0.00</b>	<b>\$47,549,277.70</b>	<b>\$47,549,277.70</b>

Billed as of 05/05/2023										Total
Month	WEC1	WEC2	WEC3	WEC4	WEC5	WEC6	WEC7			
Sep-22	\$ 1,234,514.58	\$ 5,736,936.36	\$ 1,291,626.65	\$ 558,837.37	\$ 38,838.72	\$ 944.40	\$ 4,923.50	\$		\$ 8,866,621.58
Oct-22	\$ 1,368,102.90	\$ 6,389,072.13	\$ 1,418,055.05	\$ 610,639.25	\$ 40,527.36	\$ 944.40	\$ 3,938.80	\$		\$ 9,831,279.89
Nov-22	\$ 1,315,443.63	\$ 6,119,169.16	\$ 1,366,731.14	\$ 589,883.20	\$ 39,683.04	\$ 944.40	\$ 3,446.45	\$		\$ 9,435,301.02
Dec-22	\$ 1,322,602.86	\$ 6,157,632.44	\$ 1,384,792.34	\$ 597,802.27	\$ 41,371.68	\$ 944.40	\$ 2,954.10	\$		\$ 9,508,100.09
Jan-23	\$ 1,332,612.25	\$ 6,215,252.13	\$ 1,412,348.28	\$ 602,354.48	\$ 46,859.76	\$ 944.40	\$ 2,954.10	\$		\$ 9,613,325.40
Feb-23	\$ 1,327,375.78	\$ 6,191,179.00	\$ 1,430,246.36	\$ 594,816.27	\$ 46,015.44	\$ 944.40	\$ 2,461.75	\$		\$ 9,593,039.00
Mar-23	\$ 1,329,211.38	\$ 6,223,123.33	\$ 1,454,127.28	\$ 592,367.36	\$ 46,437.60	\$ 944.40	\$ 2,461.75	\$		\$ 9,648,673.10
Apr-23	\$ 1,323,262.48	\$ 6,193,900.92	\$ 1,450,914.05	\$ 587,638.61	\$ 46,015.44	\$ 944.40	\$ 2,461.75	\$		\$ 9,605,137.65
May-23	\$ 226,244.31	\$ 1,064,715.51	\$ 251,592.49	\$ 101,713.41	\$ 3,942.18	\$ -	\$ 1,358.88	\$		\$ 1,649,566.78
<b>Total</b>	<b>\$ 10,779,370.17</b>	<b>\$ 50,290,980.98</b>	<b>\$ 11,460,433.64</b>	<b>\$ 4,836,052.22</b>	<b>\$ 349,691.22</b>	<b>\$ 7,555.20</b>	<b>\$ 26,961.08</b>	<b>\$</b>		<b>\$ 77,751,044.51</b>

Aged Receivables as of 05/05/2023										Total
	WEC1	WEC2	WEC3	WEC4	WEC5	WEC6	WEC7			
Current Balance										\$ -
Past Due 1 to 30 Balance	\$ 231,507.53	\$ 965,782.55	\$ 138,890.99	\$ 68,528.51	\$ 5,850.52	\$ -	\$ 492.35	\$		\$ 1,411,052.45
Past Due 31 to 60 Balance	\$ 96,456.02	\$ 361,470.58	\$ 25,674.46	\$ 25,932.79	\$ 1,249.34	\$ -	\$ -	\$		\$ 510,783.19
Past Due 61 to 90 Balance	\$ 45,847.14	\$ 151,688.63	\$ 10,792.47	\$ 13,007.97	\$ 397.10	\$ -	\$ -	\$		\$ 221,733.31
Past Due 91 to 120 Balance	\$ 23,679.04	\$ 75,297.40	\$ 6,583.59	\$ 7,311.93	\$ -	\$ -	\$ -	\$		\$ 112,871.96
Past Due 121 to 150 Balance	\$ 10,339.95	\$ 29,355.44	\$ 2,289.22	\$ 3,097.13	\$ -	\$ -	\$ -	\$		\$ 45,081.74
Past Due 151 to 180 Balance	\$ 7,269.18	\$ 17,884.23	\$ 928.46	\$ 2,025.21	\$ -	\$ -	\$ -	\$		\$ 28,107.08
Past Due 181 to 99999 Balance	\$ 7,643.13	\$ 17,833.85	\$ 1,259.01	\$ 2,694.48	\$ -	\$ -	\$ -	\$		\$ 29,430.47
<b>Total</b>	<b>\$ 422,741.99</b>	<b>\$ 1,619,312.68</b>	<b>\$ 186,418.20</b>	<b>\$ 122,598.02</b>	<b>\$ 7,496.96</b>	<b>\$ -</b>	<b>\$ 492.35</b>	<b>\$</b>		<b>\$ 2,359,060.20</b>

<b>Delinquency Rate</b>	<b>3.92%</b>	<b>3.22%</b>	<b>1.63%</b>	<b>2.54%</b>	<b>2.14%</b>	<b>0.00%</b>	<b>1.83%</b>	<b>3.03%</b>
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**ATTACHMENT 3**

**WESCR CHARGE FOR PAYMENT  
PERIOD**

(1) WESCR Customer Classes	(2) WESCR Charge Allocations	(3) 05/01/2023 WESCR Charge	(4) 07/01/2023 WESCR Charge Estimate <sup>1,2</sup>	(5) 11/01/23 WESCR Charge Estimate <sup>1,2</sup>
Tariffs 101 & 101-V Rate Choice A	13.84%	\$5.28	\$5.72	\$5.33
Tariffs 101 & 101-V Rate Choice B	64.82%	\$8.15	\$8.83	\$8.27
Tariffs 200 SCI & 200 SCI-V	6.30%	\$10.38	\$11.30	\$10.39
Tariff 200 LCI	14.61%	\$40.91	\$44.37	\$41.37
Tariff 291S	0.37%	\$358.38	\$407.22	\$352.55
Tariff 601S	0.01%	\$385.02	\$416.85	\$396.22
Tariff 705	0.05%	\$452.96	\$521.06	\$440.25
Total	100.00%			

<sup>1</sup> Determined in accordance with the WESCR Mechanism Tariff at Appendix B of the Financing Order.

<sup>2</sup> See calculations in attachment 2.



# Signature Certificate



Envelope Ref:8b7c95f8c1bd86352b49072dc1d45ab72c85a01e

Author: Adams, Jillian Jillian Creation Date: 19 May 2023, 13:12:02, PDT Completion Date: 22 May 2023, 07:44:34, PDT

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3746

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## Document Signed By:

Name: Mark W. Smith  
Email: OKE02118@ONEGAS.COM  
IP: 2600:387:f:d18::8  
Location: MIAMI, FL (US)  
Date: 22 May 2023, 07:44:34, PDT  
Consent: eSignature Consent Accepted  
Security Level: Email

Signer ID :KJ952NEZC1...

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Envelope Created	Adams, Jillian Jillian created this envelope on 19 May 2023, 13:12:02, PDT
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Invitation Accepted	Invitation accepted by Mark W. Smith on 22 May 2023, 07:44:24, PDT
Signed by Mark W. Smith	Mark W. Smith signed this Envelope on 22 May 2023, 07:44:34, PDT
Executed	Document(s) successfully executed on 22 May 2023, 07:44:34, PDT
Signed Document(s)	Link emailed to OKE02118@ONEGAS.COM
Signed Document(s)	Link emailed to Madiha.Shaikh@onegas.com
Signed Document(s)	Link emailed to oke00571@onegas.com
Signed Document(s)	Link emailed to jillian.adams@onegas.com